

Marvin Says British Evade

Real Issue in Egyptian Case

The Egyptian cotton case has come to be regarded among American steamship men as the test of the sincerity of the assertion of British shipping companies that they welcome the entrance of the United States to partnership in the carrying trade of the world and that they do not discriminate against American vessels.

One-third of the Egyptian cotton crop is consumed in the United States. For consumption prior to 1920 the average

the United American Lines, Inc., before the annual convention of the American Manufacturers' Export Association in New York City.

"This country," said Mr. H. H. 1920, "consumes about one-third of the Egyptian cotton crop. All the Egyptian cotton brought into this country is to-day carried in foreign bottoms. Although we have been operating the service for eighteen months, it has been impossible for us to obtain a single pound of Egyptian cotton from American ships."

dent of the Chamber of Shipping of the United Kingdom, and chairman of numerous shipping associations, declared at the annual meeting of the Prince Line recently that American ships were admitted to the trade voluntarily by the British lines as an evidence of good will. Mr. Winthrop L. Marvin, vice-president of the American Steamship Owners' Association, who charges that the action of the British lines was taken only

Mr. Harriman had asked not "the whole of the cotton" for American ships, as Sir Frederick Lewis mistakenly stated, but "a small proportion—a few shipments and a small quantity." Sir Frederick Lewis also told that not a pound of cotton was available for American bottoms. When the Shipping Board took up the subject it offered bids for transportation between the United Kingdom and the United States.

Sir Frederick Lewis declares:

Nevertheless, such British dominance over business interests at Alexandria that the contract for the annual shipments of Egyptian cotton was made to the Liverpool conference line, under a contract which expired on June 2, 1921, at rates understood to be considerably below the original proposals.

When this announcement reached Alexandria there was very prompt and vigorous action on the part of the United States, but the United States

the contract, and the British, as they had no doubt, recognized that the advantage they were thereby able to secure more than outweighed the comparatively small disadvantage in the freight to be paid to the United States. American shippers were perfectly free to exercise their own judgment, and, in consequence, the contract with the British line was completed. Nevertheless, the United States Government, in the British line, voluntarily offered to

"It may well be asked what was the reason for the British lines voluntarily offering the United States Shipping Board a participation in their contract. The reason was that it was recognized that the United States Government had a reasonable desire of the United States Shipping Board to participate in the traffic to the United States, and that a new set of circumstances had come into existence since the pre-war period, viz., that the United States Government had the dispatch went on to say that these negotiations had direct reference to the shipping contracts for 1918. Another Associated Press dispatch from London on August 8 stated that a lengthy conference had been held between representatives of the Shipping Board and British shipping leaders, but that it was not a settlement of the dispute between the American and British bidders for Alexandrian cotton shipping contracts for the en-

Mr. Marvin, in a statement to "The New York Marine Journal," said:

"I observe that Sir Frederick Lewis declared, for one thing, that the American contention was 'that the whole of the cotton destined for the United States should be carried in American vessels.'"

"This is entirely incorrect. The American government and American

... was invited to participate
in the attention of the American
people as a representative of the
American people as the head of
the Central Committee of America.

over the figures of Lloyd's Shipping Register showing that in the amount of mercantile marine tonnage Japan is third among the nations, being surpassed only by the United Kingdom and the United States, the "Oriental Economist," a Japanese commercial monthly, says the chief causes for the empire's development in this line have been the protection and assistance afforded by the government and the three wars in which Japan has been engaged in the last twenty-five years.

"The protection of the government to the shipping trade of the country dates as far back as 1872," says the paper. "In 1876 the original company was founded and a new one established. The Kyodo Yusen Kaisha was established in 1885 and in the same year the two companies were amalgamated and the present Nippon Yusen Kaisha came into existence. The government guaranteed the company payment of 8 per cent dividend. This arrangement was later changed into the grant of a fixed amount of annual subsidy.

"The conclusion of the Russo-Japanese war saw further development of Japan's shipping trade and various new lines were opened to many ports in China, Korea and Eastern Russia. The Nippon Yusen Kaisha opened a new line to Europe in January 1910, the Toyo Kisen Kaisha reopened its line to South America, suspended since July 1908 under an annual subsidy of 600,000 yen. In 1912 the Nippon Yusen Kaisha opened a new line to Sourabaya under an annual subsidy of 150,000 yen.

"That the European war gave a great impetus to Japan's shipping trade is still in the memory of all. Another important factor in the development of supply of cheap labor in the shape of seamen and of fuel. The course of events in recent years, however, has shown that these factors in favor of Japan's shipping are disappearing and Japan's shipping trade is common with many other industries is confronted with a serious crisis.

"Considering that Japanese ships re-

quire a larger number of men in handling, the comparative lowness of the efficiency of the Japanese seamen will be clear, although their wages are comparatively high.